How is landscape doing from the client's perspective? We asked large property managers, who say the economy is slow, but not dead.

According to Mike Nalley, senior vice president of Trammell Crow Company, "The residential and corporate property management businesses are still doing extremely well." However, he admits, "We have seen a slowing in the economy."

A senior managing director at Trammell Crow observes, "We are seeing the outsourcing trend continuing. We still see it as a huge world that is untapped." Translation for the industry: property managers will be looking for facilities support partners like landscapers.

"Particularly in a down market, corporations are looking to reduce expenses and overhead," says Nalley. "Outsourcing is a big part of that."

Trammell Crow plans to keep spending on landscape services, Nalley says. "It's going to be very consistent with what we're spending now, if not more. Landscaping and curb appeal are extremely important, particularly in a slow market, because it's how you retain existing tenants and gain new ones."

Work the 'creative' budget
A silver lining of a slow economy are pockets of leftover dollars transferred from "new capital budget purchases" to the "enhancement and maintenance" line (which should include landscape services).

That was the opinion of Todd Tibbitts, senior vice president for landscape operations at Post Properties Inc., Atlanta, owner and operator of 33,000 upscale residential apartment units in nine states.

Tibbitts agrees that we are in a "broad economic slowdown. Our company recognized that over 12 months ago, and we've intentionally slowed development activities since then."

"We will continue to spend the same amount of money," on landscape services, Tibbitts reports. "I think property managers will be forced to squeeze more service for fewer dollars out of their support contractors. In many cases they will be turning work over to low bidders."

"On the other hand," he recommends, "because real estate companies will be spending less on new development, they will have capital budget dollars left, and may plow some of that into existing properties. Landscape managers should be prepared."

Tapping the market
Want to do business with major property managers? Here's how:

1. Plug into new procurement mechanisms like Sitestuff (www.Sitestuff.com), a purchasing service for property managers. It represents approximately 4,000 properties, including many top property managers in the U.S. For more information, call 888/251-0821.

2. Get information technology capacity. "Having decent IT capacities is going to be a necessity for doing business with bigger companies, because of the move toward Web-based procurement," says Trammell Crow's Swink.

3. Provide vertical integration. Tibbitts explains that separate contractors often do design, build and maintenance of a property, when managers want one provider. "There's no overlap and no integration between those disciplines."

4. Embrace environmentalism and professionalism. "We are an environmental business," notes Tibbetts. "The industry needs to improve its level of professionalism, and gain further credibility in the business arena."

5. Don't play games with bids. Be up-front about all costs involved in a project. L&M